

NAVAL BASE CHARLESTON
RESTORATION ADVISORY BOARD (RAB) MEETING

Minutes of 13 April 1999
Live Oak Community Center
2012 Success Street
North Charleston, SC

RAB Members Attending

Bobby Dearhart	Charleston Environmental Detachment
Tom Fressilli	Navy Base Transition Coordinator
Wilburn Gilliard	Community Representative
Don Harbert	Community Representative
Tony Hunt	Navy Co-Chair, SOUTHDIV Naval Facilities Engineering Command
Jeri Johnson	Charleston Redevelopment Authority
Melissa King	SCDHEC
Lou Mintz	Community Co-Chair
Arthur Pinckney	Community Representative
Henry Shepard	Navy Caretaker Site Office
Dann Spariosu	U.S. Environmental Protection Agency

Guests Attending

Mr. Rick Albers	Environmental Detachment
Mr. Reece Batten	Southern Division
Mr. Jim Beltz	Southern Division
Mr. Paul Bergstrand	SCDHEC
Mr. Larry Bowers	EnSafe
Ms. Peggy Bowers	Guest
Mr. Eric Cathcart	SCDHEC
Mr. Rick Davis	Southern Division
Mr. David Dodds	Southern Division
Mr. W.A. Drawdy	Navy Co-chair
Mr. Keith Johns	EnSafe
Mr. Joe Land	Galileo Quality Institute
Mr. Gabriel Magwood	Southern Division
Mr. J. Michael Reubish	Citizen
Mr. William Smells	Environmental Detachment
Mr. Kevin Tunstan	Citizen
Mr. Bill Warner	Environmental Detachment
Mr. Charles Watson	SCDHEC

Introduction of the RAB Members and Guests

Tony Hunt, Navy Co-chair, brought the meeting to order. Member and audience introductions were made.

Administrative Remarks and Discussion of Last Meeting Minutes

Mr. Hunt asked for comments or questions on the minutes from the February meeting. There were none.

Mr. Hunt then encouraged visitors to ask questions and participate during appropriate times in the program.

Subcommittee Reports

Community Relations Subcommittee

A community relations subcommittee meeting was not held today; one will be held within two weeks.

Environmental Cleanup Progress Report

Mr. David Dodds reported that progress had been made on a few particular sites in recent months.

Zone A:	Corrective Measures Study (CMS) work plan has been finalized.
SWMU 2:	Expecting to issue a draft CMS report for SWMU 2, 38, 42, AOC 505 in April.
SWMU 39:	Obtaining additional groundwater samples.
SWMU C:	CMS work plans in progress.
SWMU 44:	Final CMS reports due in June.
Zone E:	RCRA Facility Investigation (RFI) report is being reviewed.
Zone F:	Comments have been received from regulators on the RFI Report. The Navy is preparing a response to the regulators' comments.
Zone G:	RFI report being reviewed.
Zone H:	CMS reports are in development.
Zone I:	RFI reports are in review. The Navy is starting the process of developing CMS work plans.
Zone J:	A meeting was to be held on April 14, 1999 to discuss sampling.
Zone K:	RFI reports are in review.
Zone L:	RFI reports are in review.
AOC 7:	Treatability studies are final.
SWMU 166:	Engineering aspects of the aerobic/anaerobic treatability study will be issued on April 16 containing detailed plans and engineering specs.
AOC 607:	Treatability work study program has been revised and will be resubmitted to the project team at the end of April.

Mr. Lou Mintz commented that he would like time lines so that he can review them later. Mr.

Hunt advised he will have one for the next meeting. Mr. Mintz requested that a written report be submitted with the minutes. Mr. Hunt advised one will be provided.

Mr. Hunt asked for a show of hands from the RAB members on how many would like to see the treatability study work plans and the design work plans. There were four hands raised. Mr. Hunt advised that RAB members will get a copy.

Mr. Mintz questioned whether they were proposed work plans, and Mr. Hunt advised they are pilot studies that tell whether the technology is feasible or not. They have been able to go back to other Navy sites and see the success rate.

Mr. Mintz questioned if RAB would like to see those past results, and Ms. Johnson and Mr. Dearhart answered they would. Mr. Hunt advised he will bring those results to the next meeting.

Mr. Arthur Pinckney inquired about his list of 12 questions. Mr. Hunt advised that would be a constructive discussion and will plan that as an agenda item for the next meeting.

U.S.T. Program Update

Mr. Gabriel Magwood presented a brief rundown on progress of the petroleum program:

- Three additional underground tanks need to be removed.
- Zone H: Field work is 40 percent complete on those tanks.
- Contracts for Zones B, C, F, and G have been awarded. The Environmental Detachment will be doing field work in those zones.
- Chicora tank farm is still in the process of being disposed. After disposal, the oil tank will be cleaned. Cleaning needs to be done in order to get the property transferred.
- Demolition of tanks K and L have begun.

Members were advised that Mayor Summey and the school district received letters requesting them to show an expression of interest on the tank farm property by April 17, 1999. Mr. Mintz requested a copy of those letters. Mr. Magwood stated that cleaning the tanks (and not demolition) is the only thing required for the transfer of the property.

They are in the process of demolishing two of the six tanks right now. Once the cleaning is complete, no more funding exists to completely demolish the remaining hills unless there is a definite purchaser.

Redevelopment Authority Report

Ms. Jeri Johnson informed the members that they are three weeks away from signing a lease with the Ports Authority for a break bulk facility. The economic development conveyance application has been made and waiting for the Navy to finish its appraisal so they can start the negotiating process.

The RDA has received another \$10 million from the Navy, through Senator Hollings' office, for infrastructure upgrades.

Mr. Pinckney queried when the RDA was going to move their facility. Ms. Johnson informed the members that they are renovating Building 7, which is an historic brick warehouse behind

Building 234, the Shipyard Commander's building. The RDA is going to lease the first floor to other tenants and gradually put in more tenants. This project won't be complete until December. Ms. Johnson stated that the land should be cleaned up completely by the time the negotiations are completed. Most of the property should be conveyed by 2001.

There was a discussion that the Army Corps of Engineers is tied to the City of Charleston and must remain in the City of Charleston.

Also in discussion, the members were advised that two transfers are in the works; the credit union parcels to the credit union and the marina to the Parks and Recreation Commission. The Ports Authority is taking a major chunk of the CSI parcel. The RDA has some serious suitors for the other CSI parcel, although nothing is final.

The Environmental Detachment is paying rent for its building to the RDA, but does not pay taxes. RDA does not lease property to federal agencies. The RDA is assessing a program of payments in lieu of taxes from both state and federal agencies. This would be to provide some relief to the City of North Charleston for the burden of police and fire protection and utilities. It will not be a tax but a contribution that will be passed to the City. This payment is not yet part of the leases.

Status of the Environmental Detachment Charleston

Bobby Dearhart announced that the purpose of tonight's briefing is to advise the members what the Detachment Division has done, is currently doing and what their future is.

Since 1996, the EDC has removed 135 underground and above ground storage tanks, ranging from 100 gallons to 2.1 million gallons; removing contaminated soils and also have done some site assessments up in the housing area.

At the Chicora Tank Farm, they have completely cleaned and demolished tank P (the 1.25 million gallon tank). Tanks K and L are being demolished. Tank O has 125,000 gallons of sludge that needs to be removed before they can start cleaning. Right now it's a hazard to get into tank O. The Detachment Division has engineers that certify the tanks are gas free before they can be entered and cleaned.

At Chicora Tank Farm, they used a large hydraulic "cruncher" to tear away the concrete, reinforced with rebar, around tank P. The area around the former Tank P has a clay cap, has been seeded and grass is growing there.

As part of the preparation for demolishing the tanks requires removing equipment from the pump rooms and cleaning the pump rooms. They contain a lot of piping and pumps that need to be rigged out. As they demolish the tank, they remove the metal and recycle it.

The EDC has completed 40 asbestos abatements. They have used a Vacloader to suck up asbestos shingles and insulation; had to remove up to three feet of soil underneath the houses to get rid of the asbestos; and have done some demolition as buildings were condemned. On

historical buildings, they had to return the building to its original condition where possible using the existing materials.

In 1997, the Detachment started doing lead-based paint surveys, and have completed 55 surveys so far. One piece of equipment used for this process is an x-ray fluorescent lead analyzer that analyzes the lead content of paint without having to disturb the paint itself. Currently, they are working on 20 asbestos abatements and 15 historic lead-based paint abatements.

The Detachment has completed many interim measures. Interim measures actions taken mainly to remove the source of contamination, such as polychlorinated biphenyls, pesticides, petroleum, or unexploded ordnance. As part of this program, they cleaned out five miles of storm drains downstream from industrial sources where there was a potential for contaminants in the silt. They also cleaned out the pesticide-impacted soil area near Hess on the north side; removed petroleum-impacted soil, arsenic-impacted; and excavated 147 drums of a non-corrosive decontaminant agent near the chemical pond.

Working on SWMU 8, the oil sludge pit at the south end of the base; they removed 20,000 tons of petroleum-impacted soil, recovered 30,000 gallons of oil, along with construction debris and pipes from this area. They have stand pipes there now and continue to recover oil from this area. They will be working on the pistol range near the chemical pond. At AOC 39 they will be doing some passive sampling in the marsh area. At SWMU 2, they'll be doing some lead removal. On Viaduct Road, they excavated 200 feet of pipe, put in stand pipes and are recovering oil from there.

Southern Division went in and cleaned up the powerhouse so that it can be now occupied. There's still asbestos in the building but it's not accessible, and therefore is not required for abatement.

The Detachment completed due diligence in four sites for unexploded ordnance and worked through the water-borne sites. They used robotics to dig on one site and did not find any unexploded ordnance.

The Detachment also has provided profiles on hazardous waste management and contingency and response plans; operate a 90-day hazard waste storage area; spill response and cleanup team; water sampling; well installations with a small well rig; taken over 3,000 soil samples and 1,600 groundwater samples. Mr. Dearhart added that they have in-house laboratory capabilities for testing asbestos and a portable gas chromatograph.

Mr. Dearhart mentioned that the EDC is very involved in the community around Charleston and North Charleston. They have adopted a block; have been very energetic in the United Way campaigns; are involved in schools by giving presentations on Earth Day and Career Day; participated with North Charleston Fire Department in a rescue drill with a mannequin in a well; given firemen awareness presentations; worked with the Coast Guard, Department of State, Border Patrol, Defense Finance and Accounting Service, Army, NOAA, SPAWAR and the Navy.

On September 11, 1999, the Detachment goes away. The Navy made three commitments to them. The first was to establish an environmental group to help cleanup the naval base. The second commitment was to assist the employees to reach retirement goals. There are 141 employees and 101 will reach their retirement goals.

The final commitment was to provide some experience to the employees so that they will be able to go into the private sector and find jobs. They have applied with several different government agencies to continue their work and were denied. They have now decided to work with South Carolina Research in an effort to continue the Detachment and its work beyond September 1999. South Carolina Research is a public nonprofit organization chartered in 1983. Also, the Detachment will be working with an environmental science and technology consulting group and have been requested to be on the advisory committee of Clemson's technology lab. Lastly, the EDC will be meeting with four large remediation companies on a strategic alliance.

There are plans to continue working out of the same facility they are presently in. The Detachment can not presently bid on the work to be done in their building. RDA has to go through the regular state procurement regulations.

Every employee in the Detachment will be offered a job whether they retire or not. They anticipate growing to 300 people within three years.

Outsourcing Presentation

Mr. Rick Davis revealed that, three weeks ago, Southern Division Naval Facilities Engineering Command (SOUTHDIV) was offered an opportunity to take on a different approach to the way they conduct their business. SOUTHDIV looked at the pros and cons associated with it and agreed that it was worth pursuing.

SOUTHDIV approached Rear Admiral Granuzzo in reference to looking at pursuing a firm, fixed price, insured contract for the environmental program at one facility. The plan is for an industry to buy SOUTHDIV's environmental program at one facility, take out an insurance policy to cap the cost and guarantee closure on known and unknown contamination and then meet or accelerate the current schedules.

Above the fixed price, the industry will have to invest their own capital and insure it above a certain cap so that an insurance company picks up any cost beyond that. To do this, the contractor would take their own money, set it up in an interest-bearing account with an escrow manager managing.

Mr. Davis' goal is to environmentally close the sites and make the property available for transfer. Under this new contracting arrangement, the contractor defines what it takes to get there and specify their payment schedules. The interest bearing account pays for unforeseen events.

On the east coast, they don't see as great a savings as they see on the west coast. There are a lot of old technologies (like pump-and-treat systems) in place that could be shut down and replaced with newer technology. In Kings Bay, for example, they've reduced the contamination level,

letting natural attenuation take over.

The concept again is to award a firm, fixed price contract for environmental site closure, meaning no other action is required on that site. The contract includes insurance protection for all known and unknown contamination. It would meet or accelerate current schedules for transfer.

The second firm Mr. Davis spoke with had a different approach. Their approach is to go into a limited liability partnership where there is shared risk, while the first approach is a lump sum contract. In this second approach, the Navy enters into a partnership with the contractor and there's a target price. Above this target price, they share in the cost overruns and decision-making authority. Above the target price, there is a cap above which the insurance company picks up. Below the target price, they share in the savings.

The Navy owns a property in the Port of Oakland. The Navy entered into a cooperative agreement with the Port of Oakland in which there's a transfer of funding to approach a fixed price contract.

SOUTHDIV is issuing a request for information on April 14, 1999, to see who's interested in bidding on such an contract, and to see what comments or questions might need to be incorporated by SOUTHDIV. It will be a paperless solicitation. After Mr. Davis gets the comments, SOUTHDIV will see what firms responded and then call those firms in for a discussion. After that, they'll have a request for proposals, issued in June. The schedule is to award the contract in October of 1999.

Then SOUTHDIV will watch the program and learn from it. If it's a disaster, they won't repeat it again. It's a pilot plan study that may cost between 10 and 30 million dollars.

There will be performance and payment bonds during the life of the contract. And then there's the cost cap; if the bid price was \$10 million, anything above that puts the contractor firm's capital at risk. After the contractor has made their co-payments, the insurance kicks in.

The RAB's role is to provide comments from a community perspective into the reuse plan or into the cleanup plan. The Navy does not see that role changing. As long as the Navy owns the base, there will be a RAB.

Remaining Questions and Comments

The membership committee would meet within two weeks. Mr. Hunt did send out a letter that addresses the membership issue, identified the fact that they had put together a committee and the direction they're going.

Meeting Adjourned

Editor's note: The next meeting of the RAB will be on Tuesday, June 8, 1999 at the Live Oak Community Center, North Charleston. The meeting will begin at 6:00 p.m.

